



First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018-4214  
Tel 847 318-7575  
Fax 847 318-7588

RECORDATION NO. 22846B FILED

DEC 27 '00

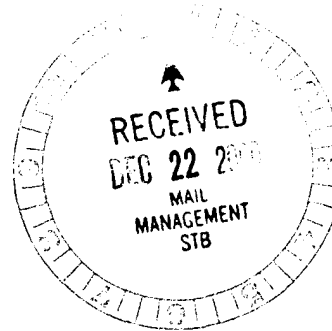
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VIA UPS NEXT DAY AIR

December 21, 2000

**SURFACE TRANSPORTATION BOARD**

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment



**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated June 26, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 22846.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Albany and Eastern Railroad Company  
875 NE Waverly Drive, Suite A  
Albany, OR 97321

A description of the railroad equipment covered by the enclosed document is ten (10) 73 foot, centerbeam flatcars built by National Steel Car Company, with car numbers AERC 7400 - 7409, inclusive.

A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and Albany and Eastern Railroad Company, Lessee, covering 10 73 foot centerbeam flatcars, built by National Steel Car Company, with car numbers AERC 7400 - 7409, inclusive.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase-Morrison  
Manager of Documentation

Enclosures

(AERC010)

ASSGN. NO.: AERC010

DEC 27 '00

3-25 PM

## MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 26<sup>th</sup> day of June, 2000, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Albany & Eastern Railroad Company ("Lessee"), an Oregon corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of April 7, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of August 14, 2000 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

**LESSOR:****FIRST UNION RAIL CORPORATION**

ATTEST:

By: K.A. Dombrowski  
Name: K.A. DOMBROWSKI  
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

Executed on this 26<sup>th</sup> day of June, 2000.

[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 26<sup>th</sup> day of June, 2000.

Susan Grokulska  
Notary Public

My Commission Expires:

8-14-2000

(Notary Public)



LESSEE:

ALBANY & EASTERN RAILROAD COMPANY

ATTEST:

By: Joli Root  
Name: Joli Root  
Title: Secretary

By: Mike Root  
Name: MIKE ROOT  
Title: PRESIDENT

Executed on this 15 day of May, 2000.

[CORPORATE SEAL]

STATE OF Oregon

COUNTY OF Linn

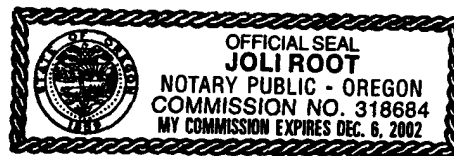
I, Joli Root, a Notary Public of the County and State aforesaid, certify that Mike Root personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 15 day of May, 2000.

Joli Root  
Notary Public

My Commission Expires:

Dec 6, 2002  
(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS:           Ten (10)

DESCRIPTION OF CARS:    New, 73' Centerbeam Flat Cars, 286,000 lb.  
                                  capacity, built by National Steel Car Company

CAR NUMBERS:            AERC 7400 through 7409, inclusive.